STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES OFFICE OF CABLE TELEVISION

: BPU Docket No. CR99110851

I/M/O CABLEVISION OF NEWARK :

CABLEVISION OF NEW JERSEY: OAL Docket No. CTV 10440-99N

(BAYONNE), CABLEVISION OF

NEW JERSEY (BERGEN),

CABLEVISION OF ALLAMUCHY : CABLEVISION OF HUDSON COUNTY : CABLEVISION OF MONMOUTH : CABLEVISION OF OAKLAND : CABLEVISION OF PATERSON :

CABLEVISION OF WARWICK : CABLEVISION OF RARITAN VALLEY : CABLEVISION OF MORRIS :

CABLEVISION OF ROCKLAND : CABLEVISION OF RAMAPO : CABLEVISION OF ELIZABETH :

CABLEVISION OF HAMILTON :

AGGREGATE FORM 1205 FILING : STIPULATION

Appearances:

John J. Farmer, Jr., Attorney General of New Jersey, Caroline Vachier, Deputy Attorney General (appearing) on behalf of the Staff of the Board of Public Utilities.

Blossom A. Peretz, Esq., Ratepayer Advocate, Lawanda Gilbert, Esq., Assistant Deputy Ratepayer Advocate (appearing) on behalf of the Division of the Ratepayer Advocate.

Shenck, Price, Smith and King by Edward W. Ahart, Esq., and Mintz, Levin, Cohn, Ferris, Glosky and Pepeo by Christopher Harvie, Esq. attorneys for Cablevision of Newark, Cablevision of New Jersey (Bayonne), Cablevision of New Jersey (Bergen), Cablevision of Allamuchy, Cablevision Of Hudson County, Cablevision Of Monmouth, Cablevision Of Oakland, Cablevision Of Paterson, Cablevision Of Warwick, Cablevision Of Raritan Valley, Cablevision Of Morris, Cablevision Of Rockland, Cablevision Of Ramapo, Cablevision Of Elizabeth, Cablevision Of Hamilton, (collectively referred to herein as "Cablevision").

WHEREAS, the Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, 106 Stat. 1460 (1992), codified at 47 LLS.C. § 543 et seq., (the "Federal Act"), classified the delivery of cable television services into two separate rate regulatable categories: (i) "basic service" (consisting primarily of "off-the-air" channels) and associated equipment and installation and (ii) cable programming services ("CPS") (consisting of other television channels) and associated equipment; and

WHEREAS, under the Federal Act, basic service is regulated by the "local franchising authority," and, until March 31, 1999, CPS was regulated by the Federal Communications Commission ("FCC") upon the filing of a complaint from the local franchising authority to the FCC with regard to a CPS tier rate; and

WHEREAS, under the provisions of the New Jersey Cable Television Act ("New Jersey Act"), N.J.S.A. 48:5A-1 et seq., the local franchising authority is the Board of Public Utilities ("BPU"); and

WHEREAS, the Federal Act required the FCC to issue regulations governing the standards to be used by local franchising authorities in regulating basic service rates; and

WHEREAS, under FCC rules, 47 C.F.R. § 76.900 et seq., cable operators are required to adjust their rates annually for changes in costs related to equipment and installations by filing with the local franchising authority an FCC Form 1205, which computes the maximum permitted rate (MPR) for regulated tiers of service; and

WHEREAS, on November 1, 1999, Cablevision filed an FCC Form 1205 with the Board on behalf of its Newark, Bayonne, Bergen, Hudson, Monmouth, Oakland, Allamuchy, Paterson, Warwick, Raritan Valley, Morris, Rockland, Ramapo, Elizabeth and Hamilton systems requesting approval of changes in the regulated equipment and installation rates charged by that system, BPU Docket No.CR99100761, OAL Docket No.CTV 10253-99N; and

WHEREAS, on December 1, 1999, Cablevision provided mail notice to subscribers to its Newark, Bayonne, Bergen, Hudson, Monmouth, Oakland, Allamuchy, Paterson, Warwick, Raritan Valley, Morris, Rockland, Ramapo, Elizabeth and Hamilton systems of the installation and equipment rate changes that would be implemented on February 1, 2000, and

WHEREAS, on February 28, 2000, pursuant to N.J.A.C. 1:1-13.1, a pre-hearing conference was held in this matter before William Gural, Administrative Law Judge, t/a; and

WHEREAS, on August 21, 2000, Cablevision notified its customers of the proposed rate adjustments via newspaper announcements in the Asbury Park Press, Bergen Record, Courier News, The Herald News, Home News Tribune, Morris County Daily Record, Newark Star-Ledger, The Star Gazette and the Jersey Journal, informing them of their opportunity to submit written comments for a period of thirty (30) days; and

WHEREAS, Board Staff and the Ratepayer Advocate submitted two rounds of discovery concerning the Form 1205 filings, to which Cablevision responded; and

WHEREAS, Board Staff, the Ratepayer Advocate and Cablevision have engaged in discussions of this matter; and

NOW, THEREFORE, Board Staff, the Ratepayer Advocate, and Cablevision (collectively "the parties") hereby STIPULATE AS FOLLOWS;

1. Cablevision notified its customers of the proposed rate adjustments via newspaper announcements, informing them of their opportunity to submit written comments for a period of thirty (30) days.

- 2. The effective date of the rate changes in equipment and installation costs under Docket No. CR99110851 is February 1, 2000. The parties agree that after taking into account the application of offsets, Cablevision is not subject to any refund liability for the equipment and installation rates charged between the effective date and July 31, 2000.
- 3. The Parties agree that the regulated equipment and installation adjustments listed as "Stipulated Rates" on the attached Schedule A, and implemented by Cablevision on August 1, 2000, are reasonable and shall remain in effect until January 31, 2001.
- 4. This Stipulation of Settlement resolves all issues raised by Cablevision's Form 1205 filing for the Newark, Bayonne, Bergen, Hudson, Monmouth, Oakland, Allamuchy, Paterson, Warwick, Raritan Valley, Morris, Rockland, Ramapo, Elizabeth and Hamilton systems in BPU Docket Nos. CR99110851.
- 5. The signatories agree that, except as expressly provided herein, this Stipulation has been made exclusively for the purpose of this proceeding and that the stipulations contained herein, in total or by specific items, are in no way binding upon the parties in other proceedings before the Board or in other forums or jurisdictions, nor are the contents of this Stipulation, in total or by specific items, by inference, inclusion, or deletion, in any way to be considered or used by another party as any indication of the position of any party hereto on any issue litigated or to be litigated in other proceedings. All signatories acknowledge that the terms of this Stipulation of Settlement shall not be deemed to be effective until approved by the BPU.
- 6. This stipulation contains terms, each of which is interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the parties expressly and jointly state that they would not have signed the agreement had any term been modified in any way. Each party is entitled to certain procedures in the event that any modification is made to the terms of this Stipulation, each signatory party must be given the right to be placed in the position it was before the stipulation was entered. Therefore, if any modification is made to the terms of this Stipulation, it is essential that each party be given the option, before the implementation of any new rate resulting from this action, either to modify its own position to accept the proposed changes, or to resume the proceeding as if no agreement had been reached.
- 7. The parties believe these provisions are fair to all concerned and therefore, they are made an integral and essential element of this stipulation. This being the case, all parties expressly agree to support the right of any other party to this Stipulation to enforce all terms and procedures detailed herein.

JOHN J. FARMER, JR., ATTORNEY GENERAL OF NEW JERSEY Attorney for the Staff of the Board of Public Utilities

By:	
Caroline Vachier, Esq. Deputy Attorney General	DATE:
BLOSSOM A. PERETZ, DIRECTOR DIVISION OF THE RATEPAYER ADVOCATE By:	
Lawanda Gilbert, Esq. Assistant Deputy Ratepayer Advocate	DATE:
CABLEVISION By:	DATE:
Edward W. Ahart, Esq. Counsel for Cablevision	Dilli.